

SUBCONTRACT ADMINISTRATIVE REQUIREMENTS (FEB 2007)

1. Technical Direction. (a) Performance of the work under this subcontract is subject to the technical direction of the Subcontract Technical Representative (STR). "Technical direction" means, without limitation:

(1) Providing direction to the Seller that redirects subcontract effort, shifts work emphasis between work areas or tasks, requires pursuit of certain lines of inquiry, fills in details, or otherwise serves to accomplish the Statement of Work.

(2) Providing written information to the Seller that assists in interpreting drawings, specifications, or technical portions of the work description.

(3) Reviewing and, where required by the subcontract, approving, technical reports, drawings, specifications, and technical information to be delivered by the Seller to the Company.

(b) The Subcontract Administrator will notify the Seller of the identity of the STR.

(c) Technical direction must be within the scope of work stated in the subcontract. The STR does not have the authority to, and may not, issue any technical direction that:

(1) Constitutes an assignment of additional work outside the Statement of Work;

(2) Constitutes a change as defined in the "Changes" clause;

(3) In any manner causes an increase or decrease in the subcontract price or total estimated cost, the fee (if any), or the time required for subcontract performance;

(4) Changes any of the expressed terms, conditions or specifications of the subcontract; or

(5) Interferes with the Seller's right to perform the terms and conditions of the subcontract.

(d) All technical direction shall be issued in writing by the STR.

(e) The Seller must proceed promptly with the performance of technical direction duly issued by the STR in the manner prescribed by this clause and within the STR's authority. If, in the Seller's opinion, any direction by the STR falls within one of the categories defined in paragraph (c) of this clause, the Seller must not proceed but must notify the Subcontract Administrator in writing within five working days after receiving it and must request the Subcontract Administrator to modify the subcontract accordingly. Upon receiving the notification, the Subcontract Administrator must:

(1) Advise the Seller in writing within 30 days after receipt of the notification that the technical direction is within the scope of the subcontract and does not constitute a change under the Changes clause;

(2) Advise the Seller in writing within a reasonable time that the Company will issue a written change order; or

(3) Advise the Seller in writing within a reasonable time not to proceed with the direction of the STR.

(f) A failure of the Seller and Subcontract Administrator either to agree that the technical direction is within the scope of the subcontract or to agree upon the subcontract action to be taken with respect to the technical direction will be subject to the "Resolution of Disputes" clause.

2. Reporting Requirements. (a) The Seller must immediately notify the STR of all occupational injuries. The Seller must submit written reports to the STR for occupational injuries or illnesses that are recordable under 29 CFR 1904, Subpart C, within two working days after the Seller learns of the injury or illness. Reports shall be made on DOE Form 5484.3, "Individual Accident/Incident Report."

(b) Before the third working day of each month, the Seller shall submit a report for the previous month to the STR on the Subcontractor Safety Performance Report form, UCN-21439.

(c) If the services of Seller employees working on site are acquired on the basis of specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit, the Seller must submit the Monthly Status Report, Form UCN-21688 to the STR and the Subcontract Administrator before the tenth day of each month.

(d) The Seller shall include this clause in subcontracts for work to be performed on-site at a DOE-owned or leased facility. The Seller shall forward subcontractor reports to the STR.

3. Stop Work Authority. (a) All persons on the site, including the Y-12 Site Office (YSO) Contracting Officer or designee, have the right and responsibility to stop work or decline to perform an assigned task whenever they discover:

(1) Conditions that pose (because of a reasonable belief) an imminent risk of death, serious physical harm or other serious hazard to workers or the public;

(2) Conditions that, if allowed to continue, could adversely affect the safe operation of, or could cause serious damage to the facility; or

(3) Conditions that, if allowed to continue, could result in release, from the facility to the environment, of radiological or chemical effluents that exceed regulatory limits.

(b) Stop work authority must be exercised in a justifiable and responsible manner, and in circumstances where the workers believe there is insufficient time to follow normal hazard reporting and abatement procedures.

(c) The Seller must include this clause in subcontracts for work to be performed on-site at the Y-12 National Security Complex or a site leased by the Company.

4. Estimated Billing. Five days before the end of each BWXT Y-12 business month, the Seller must provide to the STR its best estimate of the total billable cost (invoiced plus unbillable) under the subcontract through the current business-month end. This information must be provided by email (preferred), fax, or mail until final payment is made.

5. Subcontractor Performance Evaluation Program. In keeping with its goal of continuous improvement, the Company has established a Subcontractor Performance Evaluation Program. This program is intended to create structured mechanisms for improving communications with subcontractors, monitoring and evaluating performance, improving quality and timeliness, and fostering safety and security. Any subcontract awarded by the Company is a candidate for evaluation under this program, and any subcontractor may request an evaluation of its performance.